(a) whether the Government have made certain changes in norms for industrial licensing;

(b) if so, the changes made and the date from which the new procedure will come into effect;

(c) whether the changes of norms are going to be effected in the wake of new industrial policy; and

(d) in what ways the change of procedure in the norms will help in industrialisation in the country and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): (a) to (c). Yes, Sir. The changes in the norms for industrial licensing have been enunciated in the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991. These changes have already been notified on 25th July, 1991.

(d) As indicated in the Statement, the major objectives of the new Industrial Policy Package is to build on the gains already made, correct the distortions or weaknesses that may have crept in, maintain a sustained growth in productivity and gainful employment and attain international competitiveness. The exemption from licensing will be particularly helpful to the many dynamic small and medium entrepreneurs who have been unnecessarily hampered by the licensing system.

Cement Prices

4865. SHRI K. THULASIAH VANDAYAR: Will the PRIME MINISTER be pleased to state:

(a) the extent of price increase registered since January, 1991 with details of retail and wholesale cement prices, as on January, 1991 and July 1991;

(b) the basic reason for this increase in price and what steps are being taken by the Government to reduce the price of cement; and

(c) the increase in cost of production and how much of this increase is passed on to the consumer?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): (a) A statement showing the retail prices of cement per bag of 50 Kgs. as on 1.1.91 and 31.7.91, at four metropolitan cities is given in the statement attached. During this period, the increase in retail prices of cement varied from Rs. 10 to Rs. 21 per bag. As regards wholesale prices, on an average, the prices were lower than the retail prices by Rs. 3/- to Rs. 6/- per bag.

(b) The basic reasons for this price rise are as under:-

(i) Regional imbalances in the demand and availability of cement;

(ii) Rising cost of inputs and distribution costs;

(iii) Localised infrastructure and production constraints;

It is the constant endeavour of the Government to maximise cement production and ensure its availability to the consumers at reasonable prices. Government is closely monitoring the availability of coal, railway wagons and other infrastructural support to the Cement Industry and remedial action is taken wherever necessary.

(c) The actual cost of production varies from region to region and from one cement unit to another. At present, there is no control on price and distribution of cement. Under these circumstances, it is not practicable to assess as to how much of increased cost of production has been passed on to the consumer.

STATEMENT

Retail price of cement per Bag of 50 Kgs. As On 1.1.91 and 31.7.91, at four metropolitan cities

Name of the city	*Price as on (In rupees)*		*Variation*
	1.1.91	*31.7.91*	
1	*2*	*3*	*4*
Delhi	95-97	110-115	+ 18
Calcutta	95-102	113-123	+ 21
Bombay	95-100	105-120	+ 20
Madras	87-92	97-102	+ 10

Note : Variation shown is as per indicated maximum prices.